



**Agricultural Marketing Service**  
**Fruit and Vegetable Programs**

# **PACA BRANCH UPDATE**

**Fruit and Vegetable Advisory  
Committee Meeting  
SEPTEMBER 2008**



## Two Previous Committee Efforts

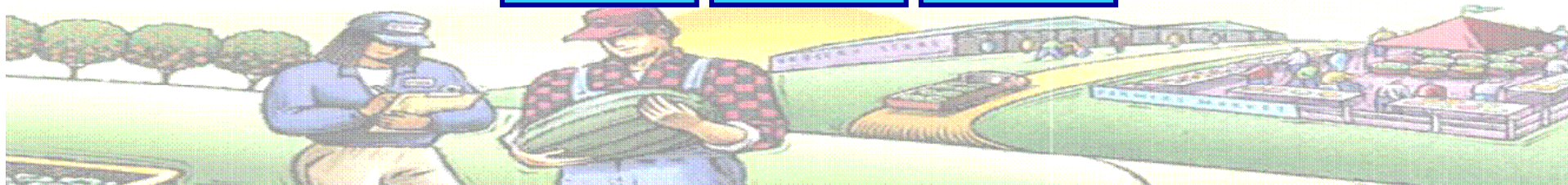
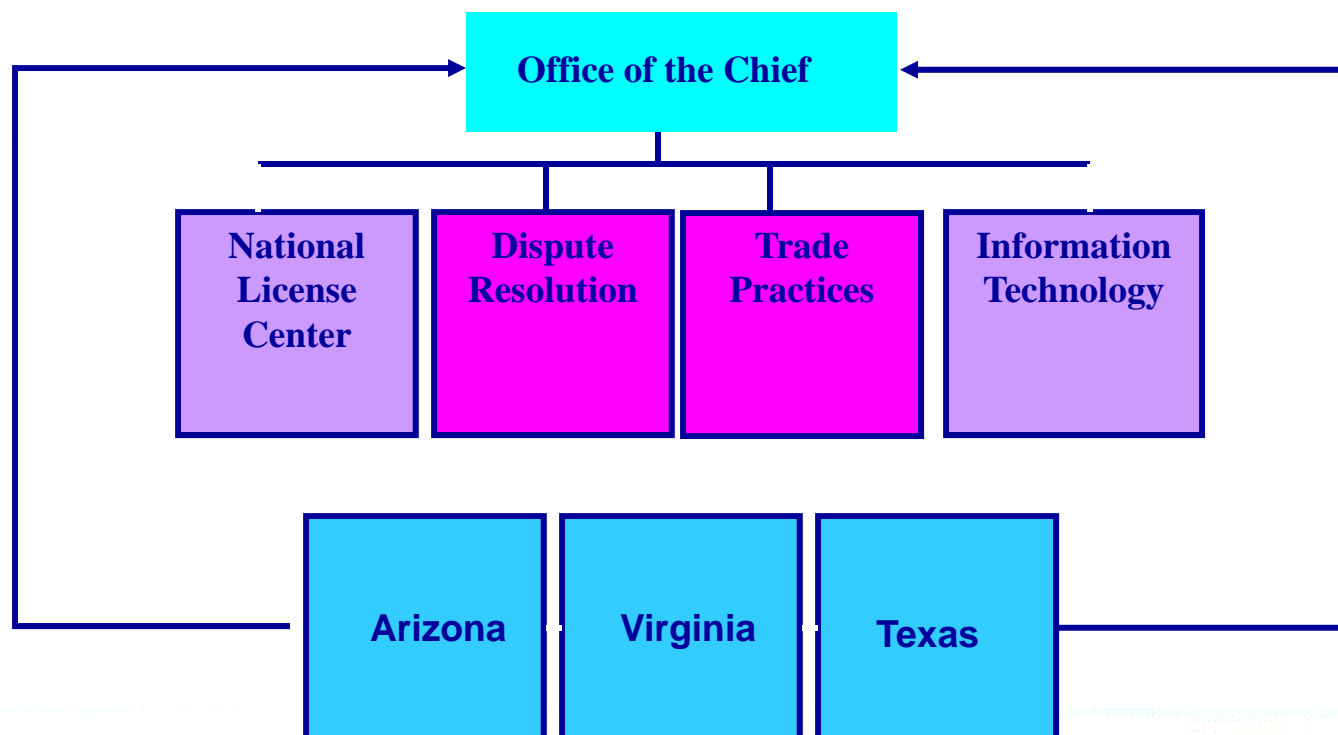
- Reorganization Recommendations
  - Closed 2 of 5 field offices
  - Consolidated license functions into one location
  - Raised reparation complaint fees
- Trust (Electronic Commerce Protection)
- Call Center
  - 1-800-495-7222
  - 7am – 7pm EST





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# PACA Organizational Chart

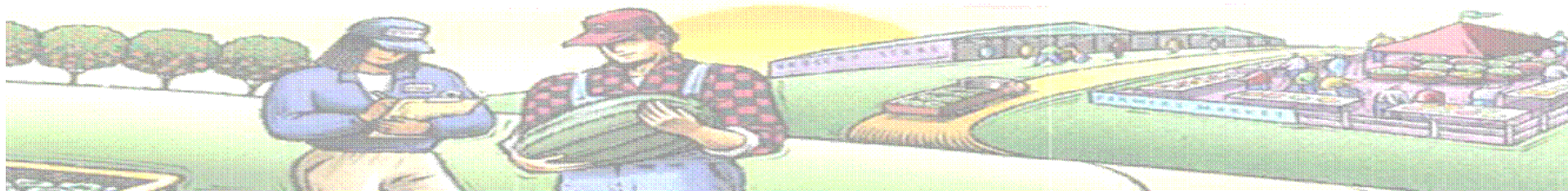




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# PACA Branch

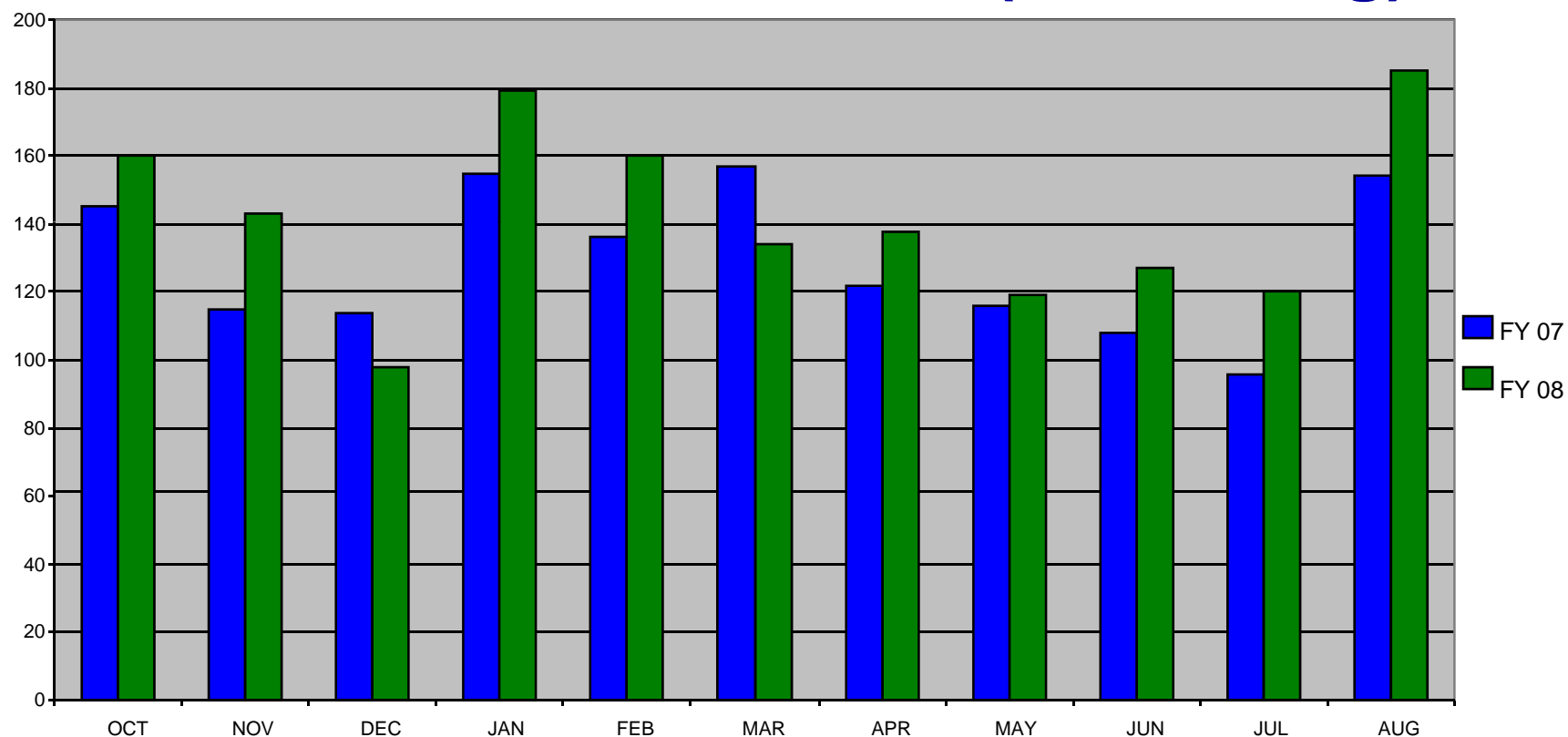
Not only surviving, but...  
**thriving!**





# New Reparations Filed FY 07 & FY 08 (\*Oct – Aug)

Total ALL FY 07: 1575  
 Total FY 08 YTD: 1563



# To Maintain Service

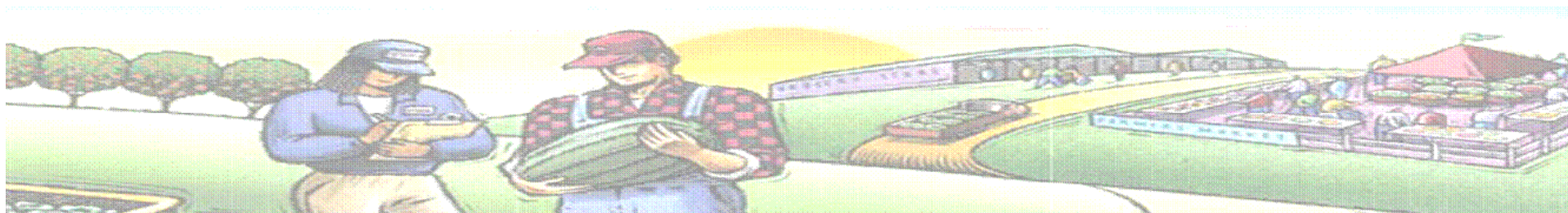
We Must Maintain Funds.....

## 3 Sources

◆ License Fees

◆ Complaint Fees

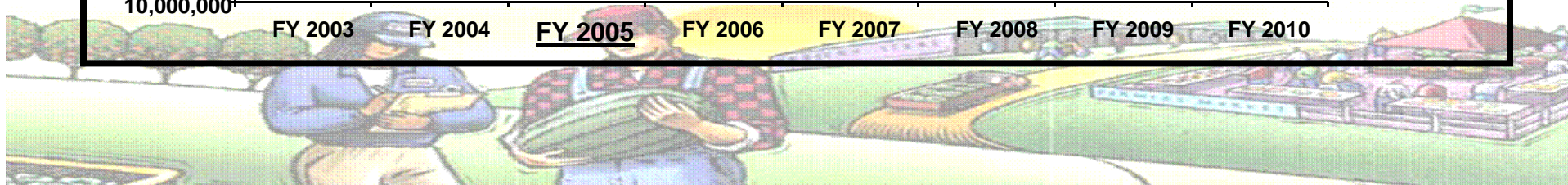
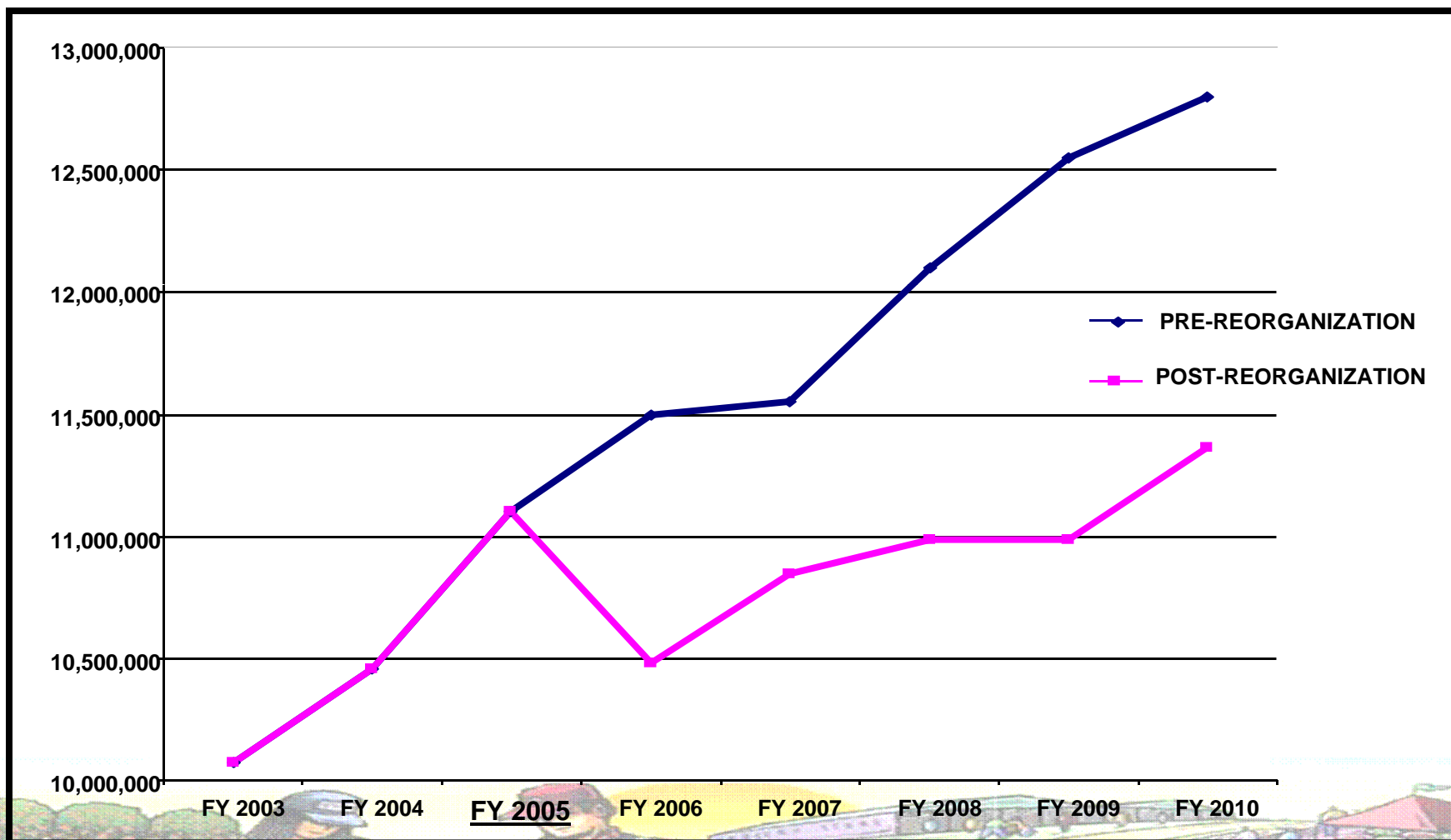
◆ Branch Fees



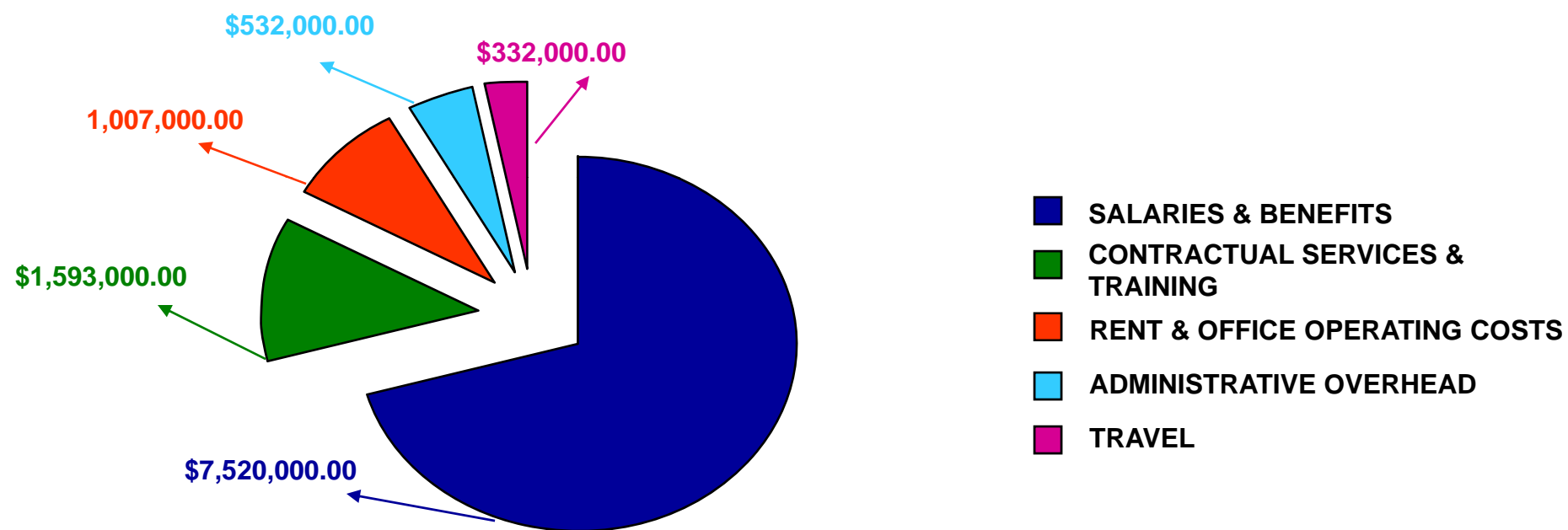


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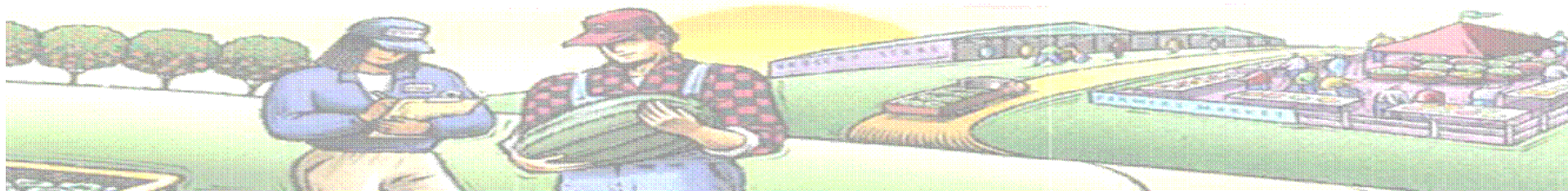
## Obligations: Pre-Reorganization and Post-Reorganization



# FY 08 Projected Expenditures



**PROJECTED TOTAL = \$10,984,000**







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# Authority to Change Reparation Filing and Handling Fees

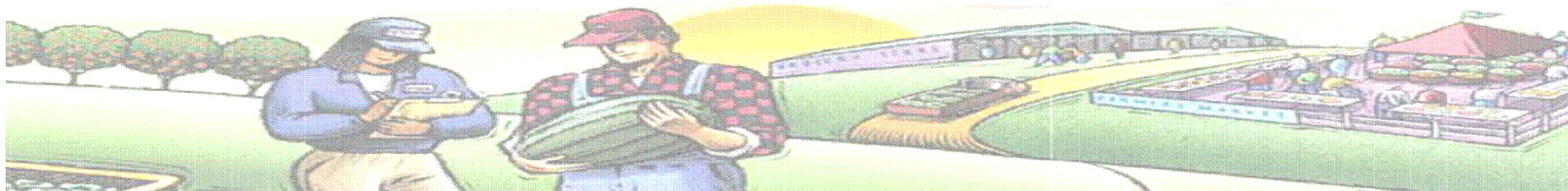
- **Section 6(a)(2)**

**...The Secretary may alter the fees specified in this paragraph by rulemaking under section 553 of title 5, United States Code.**



# Current Complaint Fees

- **\$100 Informal Filing Fee**  
**1550 x \$100 = \$155,000**
- **\$500 Formal Filing Fee**  
**300 x \$500 = \$150,000**
- **Total: \$305,000**





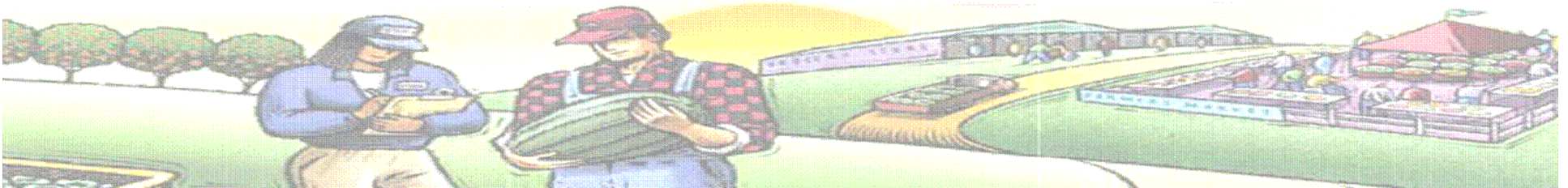
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# Authority to Change License Fees

- **Section 3(b)(2)**

**...The Secretary shall establish and alter license fees only by rulemaking under section 553 of title 5, United States Code...**

**Continued...**

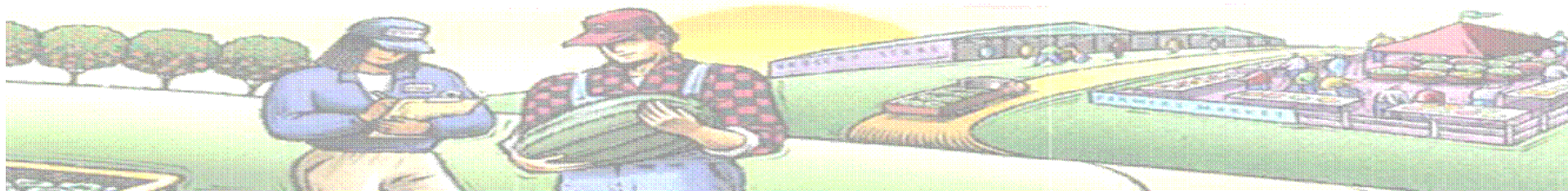




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# **Authority to Change License Fees**

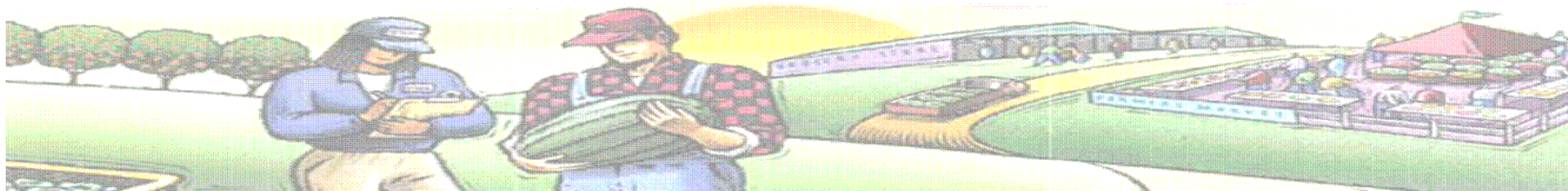
**Any increase in license fees prescribed by the Secretary under this paragraph shall not take effect until...the funds on hand as of the end of the fiscal year in which the increase takes effect will be less than 25 percent of the projected budget to administer such Acts for the next fiscal year.**





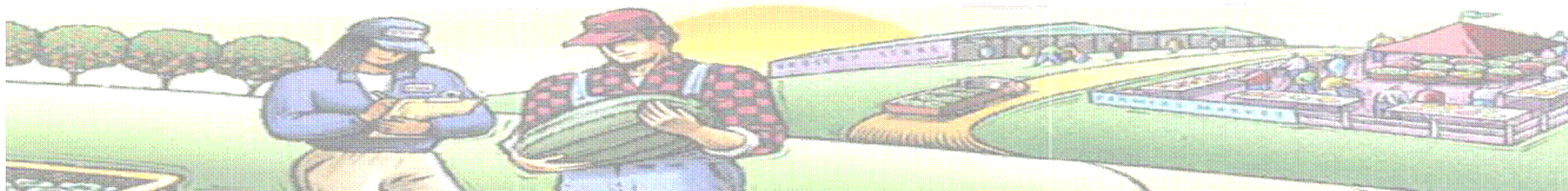
# Branch Fee History

- **1979-1980** **\$35.00 for each branch in excess of nine**
- **1981-1982** **\$50.00**
- **1982-1986** **\$72.00**
- **1986-1987** **\$108.00**
- **1987-1991** **\$150.00**
- **1991-Present** **\$200.00**



# License Branch Fees

- **Currently \$200 for each branch exceeding nine, subject to an annual aggregate limit of \$4,000 per licensee**





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# **Branch Fee Structure with Projected Income**

Option 1: \$200 fee for each branch with a \$4,000 cap

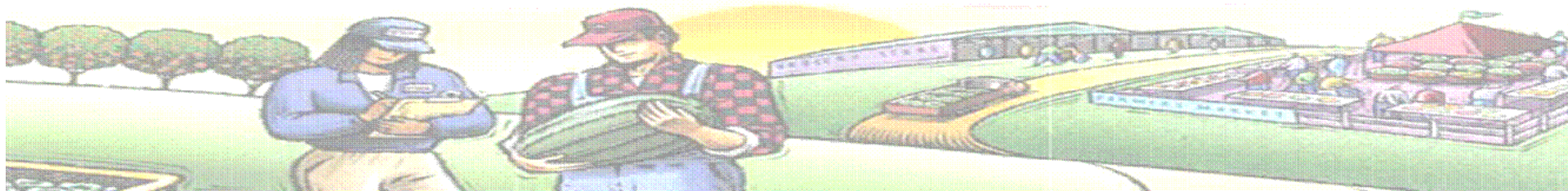
**\$659,200**

Option 2: \$300 fee for each branch with a \$5,000 cap

**\$959,700**

Option 3: \$400 fee for each branch with a \$6,000 cap

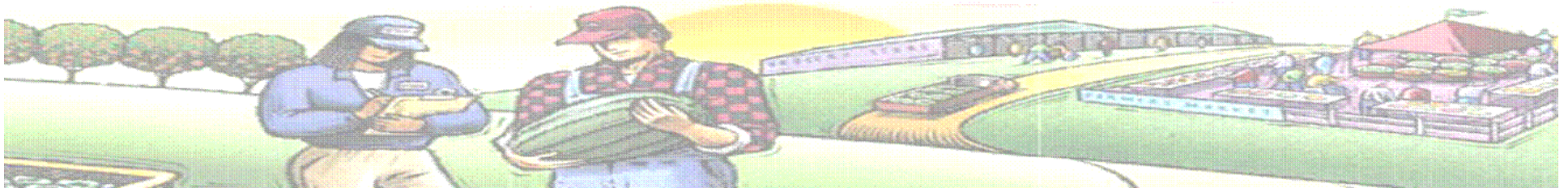
**\$1,275,200**





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The most recent license fee increase occurred in 1995.



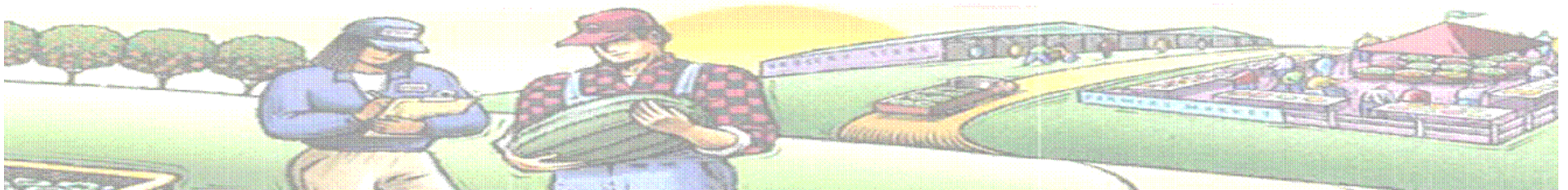




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## **Proposal For License Fee Increase**

- **Federal Register Proposed Rule anticipated early CY 09**
- **60 day comment period**
- **Funding increase required**





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**For Additional  
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